



Public Hearing

Local Energy Communities: a vehicle for islands' energy transition?

10 November 2017

Brussels

Alkisti Florou

DAFNI Network of Sustainable Greek Islands

The DAFNI network



- **DAFNI is a network** of island local and regional authorities
- **DAFNI is a non profit organisation**
- **DAFNI has 40 Municipal and 4 Regional members**
- **DAFNI promotes sustainable development** in Greek islands through integrated actions in the fields of energy, environment and culture
- **DAFNI is founding member of the Pact of Islands** initiative promoting sustainability in European islands through local energy planning
- **DAFNI is the coordinator of the Smart Islands Initiative** promoting islands as ideal areas for innovative projects in the fields of energy, environment, transport and mobility



The path towards the Smart Islands Initiative

2011 ISLEPACT – Pact of Islands



2013 SMILEGOV – Smart Islands Strategy



2016 Smart Islands Initiative



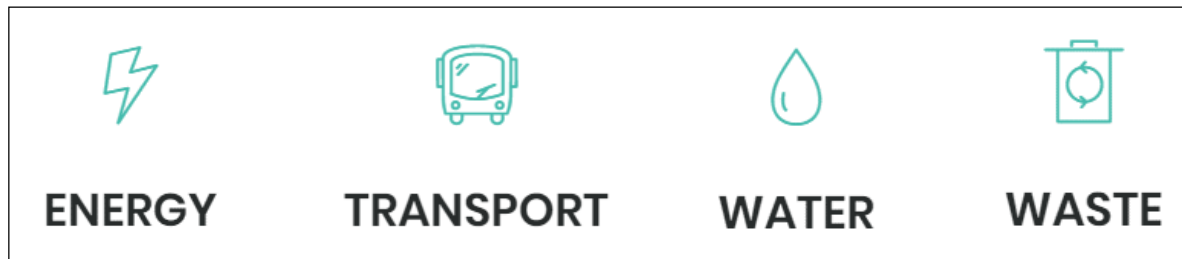
Smart Islands Initiative – *The dynamics*

The Smart Islands Initiative is a bottom-up effort of European island authorities and communities which seeks to communicate the significant potential of islands to function as laboratories for technological, social, environmental, economic and political innovation.

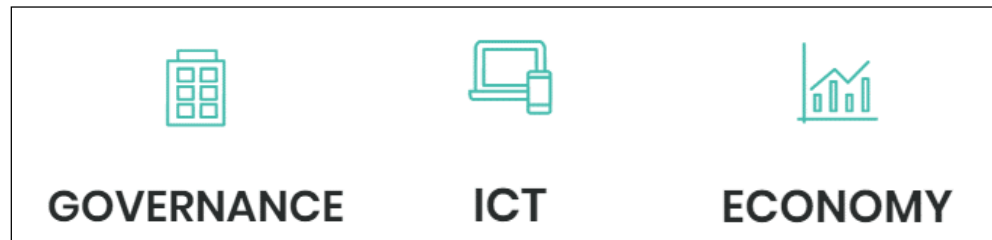
Island Quadruple Helix Ecosystems

A collaborative process of setting the Smart Islands Initiative into motion

DECARBONISATION



LOCAL ENERGY COMMUNITIES



Smart Islands Initiative – *Declaration signing ceremony*

In 28 March 2017 **12 MEPs** hosted in the European Parliament
33 Local and Regional island authorities from **15 Member States** signing
on behalf of more than **200 EU islands**



Brussels, 10 November 2017

Local Energy Communities: a vehicle for islands' energy transition?

Smart Islands Initiative – *The way forward*

The Smart Islands Initiative Pillars

1. **The Smart Islands Forum** – An annual collaborative, networking and knowledge-sharing space for island public administration and community representatives
2. **The Smart Islands Conference** – An annual gathering of stakeholders to exchange views and propose measures for putting the Smart Islands Declaration into effect, organized back-to-back with the Forum
3. **The Smart Islands Platform** – A body catalysing collaboration between the public, private and academic sectors for the deployment of pilot innovative projects on islands

Local Energy Communities in Greece

Currently very limited examples

1. ***Sifnos Energy Cooperative*** in Sifnos island – Working on the promotion of a stand-alone wind with seawater pump storage project.
2. ***Energy Cooperative of Karditsa*** – Pellet production unit in place, Biogas unit in planning
3. ***Anavra wind park*** – Wind park with the participation of the municipality
4. ***Velvento small-hydro*** – Under development from the local farmers association

Local Energy Communities in Greece

Reasons

1. General lack of knowledge about community or cooperative models for the development of RES
2. Negative experiences of the past
3. Investments by municipalities in RES projects have become more difficult in the context of the municipal administrative reform
4. The development of cooperatives in Greece is hampered by the legal framework. According to the provision of Law 1667/1986, individual members can only hold up to 6 shares in the cooperative capital

But a new Law for the establishment and provision of Energy Communities is in progress

Energy Communities in Greece

- Greece becomes the first Member State to formulate a legislative framework for Energy Communities.
- The respective Law is expected to be voted in Parliament by the end of November.

Definition

“An Energy Community (E.C.) is the cooperative solely aiming at promoting social and solidarity-based economy and innovation in the energy sector, addressing energy poverty and promoting energy sustainability, generation, storage, self-consumption, distribution and supply of energy as well as improving end-use energy efficiency at local and regional level. It is non-profit, except in the case of paragraph 4 under Article 2.”

Energy Communities in Greece – *Provisions for islands*

- Members of an Energy Community may be:
 - natural persons with full capacity to perform legal acts,
 - legal entities governed by public law, other than Local and Regional Authorities,
 - legal entities governed by private law,
 - Local and Regional Authorities belonging to the same Region where the headquarters of the Energy Community
- Minimum number of members:
 - 5, in case that members are legal persons governed by public law other than Local/Regional Authorities or legal persons governed by private law or natural persons
 - 2, in case that members are only **island** Local/Regional Authorities.
 - 3, in case that members are only Local/Regional Authorities.
 - 3, in case that members are legal persons governed by public or private law, or natural persons, of whom at least two (2) are Local/Regional Authorities

Energy Communities in Greece – *Provisions for islands*

- At least 51% of the members should be linked to the area where the Energy Community headquarters are located ...
- In the case that Energy Community members are at least 15 or **10 for island based Energy Communities** and 50% of those plus one are natural persons, the statute of the may define that the Energy Community is of profit-making nature and profit-sharing is permitted.
- Each member may hold, in addition to the compulsory cooperative share an additional or more optional cooperative shares, the maximum ceiling of their participation in the cooperative capital being 20%, except in the case of Local/Regional Authorities that can participate in cooperative capital with an up to a maximum of **50% for islands authorities** or 40% for the rest.

Energy Communities in Greece – *In motion*

- Several Energy Communities are expected to be founded following the voting of the new Law
- Taking into account:
 - The existence of 32 Non-Interconnected island electrical systems with many of them staying at a peak load of a few MW
 - The high electricity production cost on those systems
 - The usually ideal and pluralistic RES potential
 - The low social-acceptance of RES projects in islands hampering the further decarbonisation of islands
 - The vulnerable ecosystems in islands requiring social and political consensus
 - The direction towards citizen-centered electrical systems

Greek Islands are ideal for the development of Energy Communities to boost their decarbonisation and strengthening their local economy

Thank you

For more information

policy@dafni.net.gr

info@smartislandsinitiative.eu

